

# INTERVENTION



0000071468

AZ CORP COMMISSION

DEC 22 1 12 PM '97

DOCUMENT CONTROL

JAMES M. IRVIN  
Chairman  
RENZ D. JENNINGS  
Commissioner  
CARL J. KUNASEK  
Commissioner

## BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE COMPETITION  
IN THE PROVISION OF ELECTRIC  
SERVICES THROUGHOUT THE STATE OF  
ARIZONA

Docket No. U-0000-94-165

**APPLICATION OF TRICO ELECTRIC  
COOPERATIVE, INC., SULPHUR  
SPRINGS VALLEY ELECTRIC  
COOPERATIVE, INC., GRAHAM  
COUNTY ELECTRIC COOPERATIVE,  
INC. AND DUNCAN VALLEY  
ELECTRIC COOPERATIVE, INC. FOR  
LEAVE TO INTERVENE IN THE  
EVIDENTIARY HEARING ON  
GENERIC ISSUES RELATED TO  
STRANDED COSTS**

Arizona Corporation Commission  
**DOCKETED**

DEC 22 1997

DOCKETED BY

For their Application for Leave to Intervene in the evidentiary proceeding of the Arizona Corporation Commission ("Commission") on generic issues related to stranded costs pursuant to A.A.C. R 14-3-109, R14-3-105 and Decision No. 60351 and the Procedural Order issued December 1, 1997, by the Chief Hearing Officer and the First Amended Procedural Order issued December 11, 1997, by the Chief Hearing Officer in the above proceedings, Trico Electric Cooperative, Inc., Sulphur Springs Valley Electric Cooperative, Inc., Graham County Electric Cooperative, Inc. and Duncan Valley Electric Cooperative, Inc. ("Proposed Intervenors") state as follows:

1. Each of the Proposed Intervenors is an electric public service corporation in the State of Arizona having been issued certificates of public convenience and necessity to serve consumers with electricity in designated portions of the State of Arizona.

1           2.       On December 26, 1996, the commission adopted the Electric Competition Rules,  
2 A.A.C. R14-2-1601 through R14-2-1616; each of the Proposed Intervenors is an "Affected  
3 Utility" as defined in A.A.C. R14-2-1601.1 and is allowed to recover unmitigated Stranded Costs  
4 (as defined in A.A.C. R14-2-1601.8) as an Affected Utility.

5           3.       As an Affected Utility, each of the Proposed Intervenors is directly and  
6 substantially affected by such evidentiary proceedings on generic issues related to Stranded Costs  
7 and is entitled to intervene in such proceedings pursuant to A.A.C. R14-2-105 pertaining to  
8 Intervention as Party.

9           4.       The Procedural Order issued December 1, 1997 provided in part that all  
10 participants to the Stranded Cost Working Group shall be designated as parties in this proceeding  
11 and others desiring to participate in this proceeding shall file a request to intervene no later than  
12 December 22, 1997; the First Amended Procedural Order contains similar provisions.

13           5.       The Proposed Intervenors have at all times since the adoption of the Electric  
14 Competition Rules been interested in and affected by A.A.C. R14-2-1607 pertaining to Stranded  
15 Cost, but because of the expense and burden to the Proposed Intervenors they unofficially  
16 designated Arizona Electric Power Cooperative, Inc. ("AEPCO"), their wholesale power supplier  
17 pursuant to their all-requirements Wholesale Power Contracts with AEPCO to be their  
18 representative on the Stranded Cost Working Group; the First Amended Procedural Order  
19 designates AEPCO as a party in this proceeding.

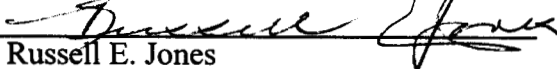
20           6.       The Proposed Intervenors will cooperate with each other and with AEPCO so not  
21 to unduly broaden the evidence or the issues in this proceeding.

22           WHEREFORE, the Proposed Intervenors request that the Chief Hearing Officer issue an  
23 Order on behalf of the Commission granting this Application and making each of the Proposed  
24 Intervenors parties in this proceeding.


LAW OFFICES  
O'CONNOR CAVANAGH MOLLOY JONES  
33 NORTH STONE AVENUE - SUITE 2100  
TUCSON, ARIZONA 85701-1621  
(520) 622-3531

1 Respectfully submitted this 18 day of December, 1997.

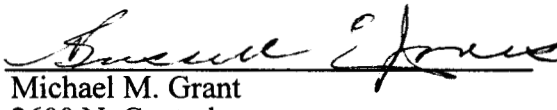
2 O'CONNOR CAVANAGH MOLLOY JONES

3  
4 By:   
5 Russell E. Jones  
6 33 N. Stone Ave., Suite 2100  
7 Post Office Box 2268  
8 Tucson, Arizona 85702  
9 Attorneys for Trico Electric Cooperative, Inc.

10 HITCHCOCK, HICKS & CONLOGUE

11 By:   
12 Christopher Hitchcock  
13 Post Office Box 87  
14 Bisbee, Arizona 85603-0087  
15 Attorneys for Sulphur Springs Valley  
16 Electric Cooperative, Inc.

17 GALLAGHER & KENNEDY

18 For By:   
19 Michael M. Grant  
20 2600 N. Central  
21 Phoenix, Arizona 85004-3020  
22 Attorneys for Plaintiffs Arizona Electric  
23 Power Cooperative, Inc., and Duncan Valley  
24 Electric Cooperative, Inc.

25 An original and ten (10) copies of the  
26 foregoing Application filed  
December 22, 1997, with:

Docket Control  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, Arizona 85007

Copies of the foregoing mailed/delivered  
this 19 day of December, 1997, to:

Barbara Klemstine  
Arizona Public Service Co.  
Law Department, Station 9909  
P.O. Box 53999  
Phoenix, Arizona 85072-3999

Thomas C. Horne  
Michael S. Dulberg  
Horne, Kaplan & Bistrow, P.C.  
40 North Central Avenue, Suite 2800  
Phoenix, Arizona 85004

Greg Patterson  
RUCO  
2828 N. Central Ave., Suite 1200  
Phoenix, Arizona 85004

Barbara S. Bush  
Coalition for Responsible Energy Education  
315 West Riveria Drive  
Tempe, Arizona 85252

Michael A. Curtis  
Martinez & Curtis, P.C.  
2712 North 7th Street  
Phoenix, Arizona 85006

Sam Defraw (Attn. Code 16R)  
Rate Intervention Division  
Naval Facilities Engineering Command  
200 Stovall Street, Room 10512  
Alexandria, Virginia 22332-2300

Walter W. Meek, President  
Arizona Utility Investors Association  
2100 N. Central Avenue, Suite 210  
Phoenix, Arizona 85004

Rick Lavis  
Arizona Cotton Growers Association  
4139 East Broadway Road  
Phoenix, Arizona 85040

Rick Gilliam  
Land and Water Fund of the Rockies  
2260 Baseline Road, Suite 200  
Boulder, CO 80302

Steve Brittle  
Don't Waste Arizona, Inc.  
6205 South 12th Street  
Phoenix, Arizona 85040

Charles R. Huggins  
Arizona State AFL-CIO  
110 North 5th Avenue  
P.O. Box 13488  
Phoenix, Arizona 85002

Karen Glennon  
19037 N. 44th Avenue  
Glendale, Arizona 85308

David C. Kennedy  
Law Offices of David C. Kennedy  
100 West Clarendon Avenue, Suite 200  
Phoenix, Arizona 85012-3525

Ajo Improvement Company  
P.O. Drawer 9  
Ajo, Arizona 85321

Norman J. Furuta  
Department of the Navy  
900 Commodore Drive, Building 107  
P.O. Box 272 (Attn. Code 90C)  
San Bruno, California 94066-7020

Columbus Electric Cooperative, Inc.  
P.O. Box 631  
Deming, New Mexico 88031

Continental Divide Electric Cooperative  
P.O. Box 1087  
Grants, New Mexico 87020

Dixie Escalante Rural Electric Association  
CR Box 95  
Beryl, Utah 84714

- |    |  |   |
|----|--|---|
| 1  | Garkane Power Association, Inc.<br>P.O. Box 790<br>Richfield, Utah 84701   | A. B. Baardson<br>Nordic Power<br>4281 N. Summerset<br>Tucson, Arizona 85715                                  |
| 2  |  |   |
| 3  | Mohave Electric Cooperative, Inc.<br>P.O. Box 1045<br>Bullhead City, Arizona 86430   | Michael Rowley<br>c/o Calpine Power Services<br>50 West San Fernando, Suite 550<br>San Jose, California 95113 |
| 4  |  |   |
| 5  | Morenci Water and Electric Company<br>P.O. Box 68<br>Morenci, Arizona 85540  | Dan Neidlinger<br>3020 N. 17th Drive<br>Phoenix, Arizona 85015  |
| 6  |  |   |
| 7  | Stephen Ahearn<br>Arizona Department of Commerce<br>Energy Office<br>3800 North Central Avenue, 12th Floor<br>Phoenix, Arizona 85012 | Jessica Youle<br>PAB300<br>Salt River Project<br>P.O. Box 52025<br>Phoenix, Arizona 85072-2025                |
| 8  |  |   |
| 9  | Betty Pruitt<br>Arizona Community Action Assoc.<br>202 E. McDowell #255<br>Phoenix, Arizona 85004                                    | Patricia Cooper<br>AEPCO<br>P.O. Box 670<br>Benson, Arizona 85602-0670  |
| 10 |  |   |
| 11 | Choi Lee<br>Phelps Dodge Corp.<br>2600 N. Central Avenue<br>Phoenix, Arizona 85004-3014  | Clifford Cauthen<br>Graham County Electric Co-Op<br>P.O. Drawer B<br>Pima, Arizona 85543                      |
| 12 |  |   |
| 13 | Bradley Carroll<br>Tucson Electric Power Co.<br>P.O. Box 711<br>Tucson, Arizona 85702  | Marv Athey<br>Trico Electric Cooperative<br>P.O. Box 35970<br>Tucson, Arizona 85740                           |
| 14 |  |   |
| 15 | Creden Huber<br>Sulphur Springs Valley Electric Cooperative<br>P.O. Box 820<br>Willcox, Arizona 85644                                | Joe Eichelberger<br>Magma Copper Company<br>P.O. Box 37<br>Superior, Arizona 85273                            |
| 16 |  |   |
| 17 | Mike McElrath<br>Cyprus Climax Metals Co.<br>P.O. Box 22015<br>Tempe, Arizona 85285-2015   | Wayne Retzlaff<br>Navopache Electric Co-Op, Inc.<br>P.O. Box 308<br>Lakeside, Arizona 85929                   |
| 18 |  |   |
| 19 | Wallace Kolberg<br>Southwest Gas Corp.<br>P.O. Box 98510<br>Las Vegas, Nevada 89193-8510   | Craig Marks<br>Citizens Utilities Company<br>2901 N. Central Avenue, Suite 1660<br>Phoenix, Arizona 85012     |
| 20 |  |   |
| 21 |  |   |
| 22 |  |   |
| 23 |  |   |
| 24 |  |   |
| 25 |  |   |
| 26 |  |   |

- |    |  |   |
|----|--|---|
| 1  | Steve Kean                                 | Sheryl Johnson                                  |
| 2  | ENRON                                      | Texas-New Mexico Power Co.                      |
| 3  | P.O. Box 1188                              | 4100 International Plaza                        |
|    | Houston, Texas 77251-1188                  | Fort Worth, Texas 76109                         |
| 4  | Jack Shilling                              | Ellen Corkhill                                  |
|    | Duncan Valley Electric Cooperative         | AARP  |
| 5  | P.O. Box 440                               | 5606 North 17th Street                          |
|    | Duncan, Arizona 85534                      | Phoenix, Arizona 85016                          |
| 6  | Nancy Russell                              | Phyllis Rowe                                    |
| 7  | Arizona Association of Industries          | Arizona Consumers Council                       |
|    | 2025 N. 3rd Street, Suite 175              | 6841 N. 15th Place                              |
| 8  | Phoenix, Arizona 85004                     | Phoenix, Arizona 85014                          |
| 9  | Barry Huddleston                           | Andrew Gregorich                                |
|    | Destec Energy                              | BHP Copper                                      |
| 10 | P.O. Box 4411                              | P.O. Box M                                      |
|    | Houston, Texas 77210-4411                  | San Manuel, Arizona 85631                       |
| 11 | Steve Montgomery                           | Larry McGraw                                    |
| 12 | Johnson Controls                           | USDA-RUS  |
|    | 2032 West 4th Street                       | 6266 Weeping Willow                             |
| 13 | Tempe, Arizona 85281                       | Rio Rancho, New Mexico 87124                    |
| 14 | Terry Ross                                 | Jim Driscoll                                    |
|    | Center for Energy and Economic Development | Arizona Citizen Action                          |
| 15 | 7853 E. Arapahoe Court, Suite 2600         | 2430 S. Mill, Suite 237                         |
|    | Englewood, Colorado 80112                  | Tempe, Arizona 85282                            |
| 16 | George Allen                               | William Baker                                   |
| 17 | Arizona Retailers Association              | Electric District No. 6                         |
|    | 137 University                             | P.O. Box 16450                                  |
| 18 | Mesa, Arizona 85201                        | Phoenix, Arizona 85011                          |
| 19 | Ken Saline                                 | John Jay List                                   |
|    | K.R. Saline & Associates                   | General Counsel                                 |
| 20 | P.O. Box 30279                             | National Rural Utilities Cooperative Finance Co |
|    | Mesa, Arizona 85275                        | 2201 Cooperative Way                            |
| 21 | Louis A. Stahl                             | Herndon, Virginia 21071                         |
| 22 | Streich Lang                               | Wallace Tillman                                 |
|    | 2 North Central Avenue                     | Chief Counsel                                   |
| 23 | Phoenix, Arizona 85004                     | National Rural Electric Cooperative Association |
| 24 | Douglas Mitchell                           | 4301 Wilson Blvd.                               |
|    | San Diego Gas and Electric Co.             | Arlington, VA 22203-1860                        |
| 25 | P.O. Box 1831                              |   |
|    | San Diego, California 92112                |   |
| 26 |  |   |

- |    |                                      |   |
|----|--------------------------------------|---|
| 1  | Robert Julian                        | John Branch                             |
| 2  | PPG                                  | City of Mesa Electric Utility           |
| 3  | 1500 Merrell Lane                    | P.O. Box 1466                           |
|    | Belgrade, Montana 59714              | Mesa, Arizona 85211-1466                |
| 4  | C. Webb Crockett                     | Douglas C. Nelson, P.C.                 |
|    | Fennemore Craig                      | 7000 N. 16th Street, Suite 120-307      |
| 5  | Two N. Central Ave., Suite 2200      | Phoenix, Arizona 85020                  |
|    | Phoenix, Arizona 85004-2390          |   |
| 6  | Department of Navy                   | Lawrence V. Robertson, Jr.              |
| 7  | Naval Facilities Engineering Command | Munger Chadwick, P.L.C.                 |
|    | Navy Rate Intervention               | 333 North Wilmot, Suite 300             |
| 8  | 901 M Street SE, Building 212        | Tucson, AZ 85711-2634                   |
|    | Washington, DC 20374                 |   |
| 9  | Attn: Sam DeFrawl                    | Michael Grant                           |
|    |                                      | Gallagher & Kennedy                     |
| 10 | Robert S. Lynch                      | 2600 N. Central Avenue                  |
|    | 340 E. Palm Lane, Suite 140          | Phoenix, Arizona 85004                  |
| 11 | Phoenix, Arizona 85064-4528          |   |
| 12 | Douglas A. Oglesby                   | Suzanne Dallimore                       |
|    | Vantus Energy Corporation            | Attorney General's Office               |
| 13 | 353 Sacramento Street, Suite 1900    | 1275 West Washington Street             |
|    | San Francisco, California 94111      | Phoenix, Arizona 85007                  |
| 14 | Michael Block                        | Tom Broderick                           |
|    | Goldwater Institute                  | 6900 East Camelback Rd. #700            |
| 15 | Bank One Center                      | Scottsdale, Arizona 85251               |
| 16 | 201 N. Central, Concourse Level      |   |
|    | Phoenix, Arizona 85004               | Lex Smith                               |
| 17 | Stan Barnes                          | Michael Patten                          |
|    | Copper State Consulting Group        | Brown & Bain, P.C.                      |
| 18 | 100 W. Washington Street, Suite 1415 | 2901 N. Central Avenue                  |
|    | Phoenix, Arizona 85003               | Phoenix, Arizona 85001-0400             |
| 19 | Carl Robert Aron                     | Vincent Hunt                            |
|    | Executive Vice President and COO     | City of Tucson Department of Operations |
| 20 | Itron, Inc.                          | 4004 S. Park Avenue, Bldg. 2            |
|    | 2818 N. Sullivan Road                | Tucson, Arizona 85714                   |
| 21 | Spokane, Washington 99216            |   |
| 22 |                                      | Steve Wheeler                           |
|    |                                      | Thomas M. Mumaw                         |
| 23 |                                      | Snell & Wilmer                          |
|    |                                      | One Arizona Center                      |
| 24 |                                      | 400 E. Van Buren Street                 |
|    |                                      | Phoenix, Arizona 85004-0001             |
| 25 |                                      | Albert Sterman                          |
|    |                                      | Arizona Consumer Council                |
| 26 |                                      | 2849 E. 8th Street                      |
|    |                                      | Tucson, Arizona 85716                   |

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

William Sullivan  
Martinez & Curtis, P.C.  
2716 N. 7th Street  
Phoenix, Arizona 85006

Elizabeth S. Firkins  
International Brotherhood of Electrical Workers  
L.U. #1116  
750 S. Tucson Blvd  
Tucson, AZ 85716

Jeff Woney  
160 N. Pasadena  
Mesa, Arizona 85201

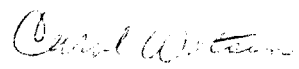
Paul Bullis, Chief Counsel  
Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Carl Dabelstein  
Director Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Barry, Hetzer, Stickley & Schutzman  
Court Reporters  
2627 N. Third St., Suite 3  
Phoenix, Arizona 85004-1103

Jerry L. Rudibaugh  
Chief Hearing Officer  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

By:

  
\_\_\_\_\_  
Carol Watson  
Secretary to Russell E. Jones